

MINUTE ITEM

20. APPLICATION FOR CONSTRUCTION OF A DRILLING AND PRODUCTION PLATFORM, STANDARD OIL COMPANY OF CALIFORNIA, P.R.C. 1824.1, SUMMERLAND FIELD, SANTA BARBARA COUNTY - W.O. 3401, P.R.C. 1824.1.

After consideration of Calendar Item 15 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE LOCATION AND CONSTRUCTION BY THE STANDARD OIL COMPANY OF CALIFORNIA OF A Pylon-SUPPORTED DRILLING AND PRODUCTION PLATFORM, APPROXIMATELY 11,300 FEET SOUTHEAST OF POINT LOON, WITHIN THE LEASED AREA OF OIL AND GAS LEASE P.R.C. 1824.1, SUBJECT TO THE CONDITION THAT THE LESSEE FURNISH A GOOD AND SUFFICIENT BOND IN THE AMOUNT OF \$500,000 TO GUARANTEE THE FAITHFUL PERFORMANCE BY THE LESSEE FOR THE CONSTRUCTION AND MAINTENANCE OF THE PLATFORM AND THE REMOVAL THEREOF AT THE REQUEST OF THE STATE UPON THE EXPIRATION OR SOONER TERMINATION OF THE LEASE, AS REQUIRED BY SECTION 14 OF OIL AND GAS LEASE P.R.C. 1824.1.

Attachment

Calendar Item 15 (1 page)

CALENDAR ITEM

15.

APPLICATION FOR CONSTRUCTION OF A DRILLING AND PRODUCTION PLATFORM, STANDARD OIL COMPANY OF CALIFORNIA, P.R.C. 1824.1, SUMMERLAND FIELD, SANTA BARBARA COUNTY - W.O. 3401.

An application has been received from the Standard Oil Company of California, joint lessee and operator under State Oil and Gas Lease P.R.C. 1824.1, requesting approval of the construction of a stationary pylon-supported drilling and production platform, approximately 11,300 feet southeast of Point Loon, within the leased area.

A platform design has been developed by Earl and Wright, consulting structural engineers, and has been reviewed by the staff. The size and location of the proposed drilling and production platform are in accordance with the terms of the lease and the rules and regulations of the State Lands Commission. Under the code-naming procedure adopted by the oil industry and the U. S. Coast Guard, it is proposed to name the offshore platform "Hilda".

The placement application was referred to the Department of Natural Resources and to the office of the Attorney General, as required by Section 6818 of the Public Resources Code. After examination and review, the Department of Natural Resources has reported that erection of the platform will not interfere with the recreational use of lands littoral to the tide and submerged lands covered in the lease.

The office of the Attorney General has advised that there is no legal objection, provided specified requirements of the Public Resources Code are met. These requirements are included in the terms of the lease, the rules and regulations of the Commission, and Section 3606 of the Public Resources Code. The Corps of Engineers has issued a Department of the Army permit authorizing the construction and maintenance of the drilling and production platform at the specified location.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE THE LOCATION AND CONSTRUCTION BY THE STANDARD OIL COMPANY OF CALIFORNIA OF A PYLON-SUPPORTED DRILLING AND PRODUCTION PLATFORM, APPROXIMATELY 11,300 FEET SOUTHEAST OF POINT LOON, WITHIN THE LEASED AREA OF OIL AND GAS LEASE P.R.C. 1824.1, SUBJECT TO THE CONDITION THAT THE LESSEE FURNISH A GOOD AND SUFFICIENT BOND IN THE AMOUNT OF \$500,000 TO GUARANTEE THE FAITHFUL PERFORMANCE BY THE LESSEE FOR THE CONSTRUCTION AND MAINTENANCE OF THE PLATFORM AND THE REMOVAL THEREOF AT THE REQUEST OF THE STATE UPON THE EXPIRATION OR SOONER TERMINATION OF THE LEASE, AS REQUIRED BY SECTION 14 OF OIL AND GAS LEASE P.R.C. 1824.1.